

Office of Personnel Management

§ 550.712

(f) In the case of individuals who become employed by a nonappropriated fund instrumentality of the Department of Defense or the Coast Guard under the conditions described in 5 U.S.C. 5595(h)(4), payment of severance pay may be suspended consistent with the rules in 5 U.S.C. 5595(h) and any supplemental regulations issued by the Department of Defense.

(g) Notwithstanding paragraph (b) of this section, an agency may pay severance pay in a single lump sum if expressly authorized by law.

[64 FR 69177, Dec. 10, 1999]

EFFECTIVE DATE NOTE: At 64 FR 69177, Dec. 10, 1999, § 550.709 was revised, effective Jan. 10, 2000. For the convenience of the user, the superseded text follows.

§ 550.709 Payment of severance pay.

(a) Each severance payment must be equal to the employee's rate of basic pay, less taxes and Medicare, and, when appropriate, contributions under the Federal Insurance Contributions Act (FICA). Payment must be made at the same pay period intervals salary would be paid if the employee were still employed. The final payment may be a partial payment consisting of that portion of the severance pay fund remaining from the employee's immediate entitlement of the balance of the lifetime limitation of 1 year.

(b) When an employee receives severance pay as the result of separation from a qualifying temporary appointment (that is, a temporary appointment effected within 3 days after separation from a qualifying permanent appointment), severance pay shall be paid in an amount equal to the rate of basic pay received at the time of separation from the qualifying temporary appointment.

(c) When an employee is in a nonpay status immediately before separation, basic pay is the pay the employee would have received if he or she had been in a pay status when separated.

§ 550.710 Suspension of severance pay.

When an individual entitled to severance pay is employed by the Government of the United States or the government of the District of Columbia under a nonqualifying time-limited appointment, severance pay must be suspended during the life of the appointment. Severance pay resumes, without any recomputation, when the employee separates from the nonqualifying time-limited appointment. The resumed severance payments are the responsibility of the agency that originally triggered

the individual's severance pay entitlement by separating the individual while he or she was serving under a qualifying appointment.

[64 FR 69178, Dec. 10, 1999]

EFFECTIVE DATE NOTE: At 64 FR 69178, Dec. 10, 1999, § 550.710 was revised, effective Jan. 10, 2000. For the convenience of the user, the superseded text follows.

§ 550.710 Suspension of severance pay.

(a) When an individual receiving severance pay is given one or more nonqualifying temporary appointments, the severance pay is suspended on the day of the appointment. Severance pay begins again when the employee separates from the nonqualifying temporary appointment.

(b) When an individual who is eligible for severance pay is given a nonqualifying temporary appointment before severance payments begin, the severance payments do not begin until the employee is separated from the temporary appointment.

§ 550.711 Termination of severance pay entitlement.

Entitlement to severance pay ends when—

(a) The individual entitled to severance pay is employed by the Government of the United States or the government of the District of Columbia, unless employed under a nonqualifying time-limited appointment as described in § 550.710; or

(b) The severance pay fund is exhausted.

[64 FR 69178, Dec. 10, 1999]

EFFECTIVE DATE NOTE: At 64 FR 69178, Dec. 10, 1999, § 550.711 was revised, effective Jan. 10, 2000. For the convenience of the user, the superseded text follows.

§ 550.711 Termination of severance pay entitlement.

Entitlement to severance pay ends when:

(a) An employee is appointed to the Federal Government under a qualifying appointment;

(b) The severance pay fund is exhausted; or

(c) The employee has received 1 year of severance pay.

§ 550.712 Reemployment; recredit of service.

(a) When a former employee is reemployed, the employing agency shall record on the appointment document the number of weeks of severance pay received (including partial weeks).